

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1347 be amended to read as follows:

- 1 Page 35, between lines 11 and 12, begin a new paragraph and insert:
- 2 "SECTION 23. IC 6-9-19-1, AS AMENDED BY P.L.170-2002,
- 3 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 UPON PASSAGE]: Sec. 1. This chapter applies to ~~a county having a~~
- 5 ~~population of more than one hundred eighty-two thousand seven~~
- 6 ~~hundred ninety (182,790) but less than two hundred thousand~~
- 7 ~~(200,000). Elkhart County.~~
- 8 SECTION 24. IC 6-9-19-2, AS AMENDED BY P.L.73-1999,
- 9 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 10 UPON PASSAGE]: Sec. 2. As used in this chapter:
- 11 "Fiscal body" and "executive" have the same meanings that are
- 12 prescribed by IC 36-1-2.
- 13 "Gross retail income" and "person" have the same meanings that
- 14 are prescribed by IC 6-2.5-1.
- 15 **"Event" means an activity that:**
- 16 **(1) has a stated, definite duration;**
- 17 **(2) is designed to promote tourism and economic**
- 18 **development;**
- 19 **(3) requires the construction of temporary structures; and**
- 20 **(4) is reasonably expected to attract visitors to the county.**
- 21 **An event is not a tourist attraction for purposes of section 4 of**
- 22 **this chapter.**
- 23 SECTION 25. IC 6-9-19-3 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The fiscal
2 body of a county may levy a tax on every person engaged in the
3 business of renting or furnishing, for periods of less than thirty (30)
4 days, any room or rooms, lodgings, or accommodations in any:

- 5 (1) hotel;
- 6 (2) motel;
- 7 (3) inn; or
- 8 (4) tourist cabin;

9 that has thirty (30) or more rooms for rent and is located in the county.

10 (b) The tax does not apply to gross income received in a
11 transaction in which:

- 12 (1) a student rents lodgings in a college or university residence
13 hall while that student participates in a course of study for which
14 the student receives college credit from a college or university
15 located in the county; or
- 16 (2) a person rents a room, lodging, or accommodations for a
17 period of thirty (30) days or more.

18 (c) **Except as provided in subsection (g),** the tax may not exceed
19 the rate of five percent (5%) on the gross retail income derived from
20 lodging income only and is in addition to the state gross retail tax
21 imposed under IC 6-2.5.

22 (d) The county fiscal body may adopt an ordinance to require that
23 the tax be reported on forms approved by the county treasurer and that
24 the tax shall be paid monthly to the county treasurer. If such an
25 ordinance is adopted, the tax shall be paid to the county treasurer not
26 more than twenty (20) days after the end of the month the tax is
27 collected. If such an ordinance is not adopted, the tax shall be imposed,
28 paid, and collected in exactly the same manner as the state gross retail
29 tax is imposed, paid, and collected under IC 6-2.5.

30 (e) All of the provisions of IC 6-2.5 relating to rights, duties,
31 liabilities, procedures, penalties, definitions, exemptions, and
32 administration are applicable to the imposition and administration of the
33 tax imposed under this section except to the extent those provisions are
34 in conflict or inconsistent with the specific provisions of this chapter
35 or the requirements of the county treasurer. If the tax is paid to the
36 department of state revenue, the return to be filed for the payment of
37 the tax under this section may be either a separate return or may be
38 combined with the return filed for the payment of the state gross retail
39 tax as the department of state revenue may, by rule, determine.

40 (f) If the tax is paid to the department of state revenue, the taxes
41 the department of state revenue receives under this section during a
42 month shall be paid, by the end of the next succeeding month, to the
43 county treasurer upon warrants issued by the auditor of state.

44 (g) **In addition to the rate authorized by subsection (c), the**
45 **county fiscal body may adopt an ordinance to increase the tax by**
46 **an additional rate of one percent (1%) on the gross income**
47 **derived from lodging income only, up to a maximum rate of seven**
48 **percent (7%), to provide funds for the purposes described in**
49 **section 6(b) of this chapter.**

50 (h) **A tax rate imposed under subsection (g) may not be**

1 imposed for a time greater than is necessary to pay:

2 (1) costs incurred in producing the event, including the
3 construction, acquisition, enlargement, and equipping of
4 facilities used for production of the event;

5 (2) debt service on bonds, notes, or other obligations issued
6 by the commission;

7 (3) lease rentals on leases entered into by the commission
8 under section 6.5(h) of this chapter; or

9 (4) payments pledged by the commission to bonds, notes,
10 leases, or any other obligation of the commission entered
11 into for the purposes described in section 6(b) of this
12 chapter.

13 (i) The county fiscal body may not take action to rescind the
14 tax imposed under subsection (g) as long as the principal of, or
15 interest on, any of the bonds, notes, lease rentals due under any
16 leases, or other obligations is unpaid.

17 SECTION 26. IC 6-9-19-4 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. ~~If a tax is levied~~
19 ~~under section 3 of this chapter,~~ (a) The county treasurer shall establish
20 a convention and visitor promotion fund ~~He and~~ shall deposit in this
21 fund all amounts ~~he receives~~ received under ~~that~~ section 3 of this
22 chapter. Money in this fund may be expended only to promote and
23 solicit conventions, trade shows, **tourism, an event,** and visitors
24 within the county. **Except as provided in subsection (b),** money in this
25 fund shall not be expended, directly or indirectly, for any type of capital
26 improvement nor to finance any type of tourist attraction.

27 (b) The county treasurer shall establish an account of the
28 fund into which all revenues received from the imposition of the
29 additional tax rate under section 3(g) of this chapter shall be
30 deposited. Money in the account may only be expended to pay:

31 (1) costs incurred in producing the event, including the
32 construction, acquisition, enlargement, and equipping of
33 facilities used for production of the event;

34 (2) debt service on bonds, notes, or other obligations issued
35 by the commission;

36 (3) lease rentals on leases entered into by the commission
37 under section 6.5(b) of this chapter;

38 (4) payments pledged by the commission to bonds, notes, or
39 other obligations of the commission; or

40 (5) any combination of the purposes described in
41 subdivisions (1) through (4).

42 The commission has the sole authority to allocate and disburse
43 money from the account.

44 SECTION 27. IC 6-9-19-6 IS AMENDED TO READ AS
45 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The
46 commission may:

- (1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the commission considers necessary and desirable;
- (2) sue and be sued;
- (3) enter into contracts and agreements;
- (4) make rules necessary for the conduct of its business and the accomplishment of its purposes;
- (5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);
- (6) after its approval of a proposal, transfer money, quarterly or more frequently, from the fund established under section 4 of this chapter to any Indiana not-for-profit corporation to promote and solicit conventions, trade shows, **tourism, an event**, or visitors in the county; and
- (7) require financial or other reports for any corporation that receives funds under this chapter.

(b) **In addition to the powers described in subsection (a), the commission may:**

- (1) issue bonds, notes, or other obligations for costs incurred in producing an event in the county, including the construction, acquisition, enlargement, and equipping of facilities used for production of the event;**
- (2) enter into leases for the construction, acquisition, enlargement, and equipping of facilities used for the production of an event in the county;**
- (3) pledge revenues from the tax rate imposed under section 3(g) of this chapter to any bonds, notes, leases, or other obligations described in subdivision (1) or (2);**
- (4) enter into an agreement under which amounts deposited in or to be deposited in the account established under section 4(b) of this chapter are pledged to payment of obligations (including bonds issued and leases entered into for the purposes described in this section); and**
- (c) All expenses of the commission shall be paid from the fund established under section 4 of this chapter. The commission shall annually prepare a budget, taking into consideration the recommendations made by a corporation qualified under subsection (a)(6), and submit it to the county fiscal body for its review and approval. Except as provided in section 4(b) of this chapter, an expenditure may not be made under this chapter unless it is in accordance with an appropriation made by the county fiscal body in the manner provided by law.**

SECTION 28. IC 6-9-19-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6.5. (a) The commission may issue bonds to:**

- (1) pay the costs incurred in producing an event in the**

county, including the construction, acquisition, enlargement and equipping of facilities used for production of the event;
 (2) reimburse itself or a nonprofit corporation for money advanced to pay the costs described in subdivision (1); or
 (3) refund bonds, notes, or other obligations issued under this chapter for the costs described in subdivision (1).

(b) The commission may enter into leases to:

(1) pay the costs incurred for the construction, acquisition, enlargement, and equipping of facilities used for the production of an event in the county;
 (2) reimburse itself or a nonprofit corporation for money advanced to pay the costs described in subdivision (1); or
 (3) refinance any lease or refund any bonds, notes, or other obligations issued under this chapter.

(c) Bonds, notes, or other obligations issued under this section:

(1) may be for a term not to exceed:
 (A) twenty (20) years, with respect to the original term of the bonds, notes, or other obligations; and
 (B) a total of thirty (30) years, with respect to the term of any refunding bonds, notes, or other obligations, together with the term of the bonds, notes, or other obligations being refunded;
 (2) are payable solely from the money provided in this chapter;
 (3) may, at the discretion of the commission, be sold at a negotiated sale at a price to be determined by the commission or in accordance with IC 5-1-11 and IC 5-3-1; and
 (4) must be authorized by a resolution of the commission.

(d) Leases entered into under this section:

(1) may be for a term not to exceed twenty (20) years;
 (2) may provide for payments from revenues under this chapter, any other revenues available to the commission, or any combination of these sources;
 (3) may provide that payments by the commission to the lessor are required only to the extent and only for the time that the lessor is able to provide the leased facilities in accordance with the lease;
 (4) must be based on the value of the facilities leased; and
 (5) may not create a debt of the county for purposes of the Constitution of the State of Indiana.

(e) A lease may be entered into by the commission only after a public hearing:

(1) for which notice has been given in accordance with IC 5-3-1; and

(2) at which all interested parties are provided the opportunity to be heard.

(f) After the public hearing required by subsection (e), the commission may approve the execution of a lease only if the commission finds that the services to be provided throughout the life of the lease will serve the public purposes for which the commission was created and that the execution of the lease is in the best interests of the residents of the county.

(g) On execution of a lease under this section, the commission shall publish notice of the execution of the lease in accordance with IC 5-3-1.

(h) An action to contest the validity of bonds issued or leases entered into under this section must be brought within thirty (30) days after the adoption of a bond resolution or notice of the execution and approval of the lease.

SECTION 29. IC 6-9-19-6.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.7. With respect to:

- (1) bonds, notes, leases, or other obligations to which the commission has pledged revenues under this chapter; and
- (2) bonds issued by a lessor that are payable from lease rentals;

the general assembly covenants with the commission and the purchasers or owners of the bonds, notes, or other obligations described in this section that this chapter will not be repealed or amended in any manner that will adversely affect the collection of the tax imposed under this chapter or the money deposited in the convention and visitor promotion fund as long as the principal of or interest on any bonds, notes, or other obligations, or the lease rentals due under any lease, are unpaid."

Page 39, after line 18 , begin a new paragraph and insert:

"SECTION 38. [EFFECTIVE UPON PASSAGE] The general assembly finds that Elkhart County is unique and needs special consideration under IC 6-9-19, as amended by this act, because:

- (1) the county desires to provide a unique event that is reasonably expected to attract visitors to the county and to Indiana during the period from Thanksgiving through New Year's Day of each year, a time during which those visitors would not otherwise be expected to come to the county or Indiana;
- (2) the event is reasonably expected to attract an estimated two hundred fifty thousand (250,000) visitors to the county, who are reasonably expected to spend an estimated six million dollars (\$6,000,000) in the county, based on studies prepared for the commission;
- (3) the event is reasonably expected to provide a direct

1 **economic benefit of at least ten million dollars (\$10,000,000)**
2 **to the county;**

3 **(4) the event is reasonably expected to promote employment**
4 **opportunities for residents of the county and of Indiana;**

5 **(5) the county's geographic location is reasonably expected**
6 **to enable visitors from several states to travel easily to the**
7 **county for the event; and**

8 **(6) the event is reasonably expected to provide economic**
9 **development benefits for the county and Indiana, as**
10 **measured by:**

11 **(A) increased seasonal, temporary, and permanent**
12 **employment;**

13 **(B) increased sales, income, and excise tax revenues**
14 **received by the county and the state;**

15 **(C) improved diversity of the economy in the county;**
16 **and**

17 **(D) other public and economic benefits accruing to the**
18 **county, the region, and Indiana."**

19 Renumber all SECTIONS consecutively.

(Reference is to HB 1347 as printed January 30, 2004.)

Representative FRIEND